
APPLICATION FOR EXTENSION OF TIME FOR (1) ANNOUNCEMENT OF FINANCIAL RESULTS AND HOLDING OF THE ANNUAL GENERAL MEETING AND (2) FILLING THE VACANCIES IN THE AUDIT COMMITTEE

1. INTRODUCTION

1.1 Swiber Holdings Limited (Judicial Managers Appointed) (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement dated 27 October 2017 in relation to the grant by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) of:-

- (a) an extension of time of up to 30 November 2018 to announce its (i) second quarter financial results for the period ended 30 June 2016 (the “**2Q2016 Results**”), (ii) third quarter financial results for the period ended 30 September 2016 (the “**3Q2016 Results**”), (iii) financial results for the full financial year ended 31 December 2016 (“**FY2016**”) (the “**FY2016 Results**”), (iv) first quarter financial results for the period ended 31 March 2017 (the “**1Q2017 Results**”), (v) second quarter financial results for the period ended 30 June 2017 (“**2Q2017 Results**”), (vi) third quarter financial results for the period ended 30 September 2017 (the “**3Q2017 Results**”), (vii) financial results for the full financial year ended 31 December 2017 (“**FY2017**”) (the “**FY2017 Results**”), (viii) first quarter financial results for the period ended 31 March 2018 (the “**1Q2018 Results**”), (ix) second quarter financial results for the period ended 30 June 2018 (the “**2Q2018 Results**”) and (x) third quarter financial results for the period ended 30 September 2018 (the “**3Q2018 Results**”); and
- (b) an extension of time up to 31 December 2018 to hold its annual general meeting for FY2016 (“**2017 AGM**”) and FY2017 (“**2018 AGM**”) (the “**Previous Extension**”).

1.2 The Company also refers to its announcement dated 29 March 2018 relating to the grant by the High Court of Singapore of (i) an extension of time until 31 December 2018 for the judicial managers of the Company (“**Judicial Managers**”) to, *inter alia*, send to the creditors a statement of proposals and summon a creditors’ meeting under Sections 227M and 227N of the Companies Act (Chapter 50) (the “**Companies Act**”) and (ii) an extension of the judicial management period for the Company and Swiber Offshore Construction Pte Ltd (“**SOC**”) to 30 June 2019 (the “**JMO Expiry Date**”).

2. APPLICATION FOR EXTENSION OF TIME

2.1 The Company had on 29 October 2018 applied to the SGX-ST for an extension of time to comply with:-

- (a) Rules 705(1) and (2) of the SGX-ST Listing Manual (“**Listing Manual**”) in relation to the announcement of financial statements and Rule 707(1) of the Listing Manual in relation to the holding of the annual general meeting; and
- (b) Rule 704(8) of the Listing Manual in relation to filling the vacancies in the audit committee,

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further details of which are set out below.

3. **APPLICATION FOR EXTENSION OF TIME TO COMPLY WITH RULES 705(1), 705(2) AND 707(1) OF THE LISTING MANUAL**

3.1 Under Rules 705(1), 705(2) and 707(1) of the Listing Manual of the SGX-ST ("**Listing Manual**"), the Company is required to:-

- (a) (pursuant to the Previous Extension) announce the 2Q2016 Results, 3Q2016 Results, FY2016 Results, 1Q2017 Results, 2Q2017 Results, 3Q2017 Results, FY2017 Results, 1Q2018 Results, 2Q2018 Results and 3Q2018 Results by 30 November 2018;
- (b) announce its financial statements for the full financial year ending 31 December 2018 ("**FY2018**") (the "**FY2018 Results**") by 1 March 2019;
- (c) announce its first quarter financial results for the period ending 31 March 2019 (the "**1Q2019 Results**") by 15 May 2019;
- (d) announce its second quarter financial results for the period ending 30 June 2019 (the "**2Q2019 Results**") by 14 August 2019;
- (e) (pursuant to the Previous Extension) hold the 2017 AGM and the 2018 AGM by 31 December 2018; and
- (f) hold the annual general meeting of the Company for FY2018 (the "**2019 AGM**") by 30 April 2019.

3.2 The Company has sought the following extensions of time to comply with Rules 705(1), 705(2) and 707(1) of the Listing Manual (collectively, the "**Financial Results and AGM Extension**"):

- (a) in respect of Rule 705(1), an extension of time of up to three (3) months after the JMO Expiry Date (ie. until 30 September 2019) to announce its FY2016 Results, FY2017 Results and FY2018 Results;
- (b) in respect of Rule 705(2) and in line with the extension mentioned in paragraph 3.2(a) above, a similar extension of time of until 30 September 2019 to announce its 2Q2016 Results, 3Q2016 Results, 1Q2017 Results, 2Q2017 Results, 3Q2017 Results, 1Q2018 Results, 2Q2018 Results, 3Q2018 Results, 1Q2019 Results and 2Q2019 Results; and
- (c) in respect of Rule 707(1), an extension of time of up to four (4) months after the JMO Expiry Date (ie. until 31 October 2019) to hold the 2017 AGM, the 2018 AGM and the 2019 AGM.

3.3 The Company's reasons for seeking the Financial Results and AGM Extension are as follows:

- (a) since the Company was placed under judicial management on 6 October 2016, the Judicial Managers have been engaging with creditors, potential investors and other stakeholders, identifying and safeguarding property and assets, working to realise and dispose such assets, negotiating on ongoing projects, managing disputes and negotiating and

formulating proposals for the proposed restructuring of the Group. Accordingly, the resources (in terms of time and manpower) of the Company and the Judicial Managers have been tied up with the judicial management process;

- (b) through the efforts of the Company and the Judicial Managers, the Company had on 3 October 2018 announced the execution by the Company of a binding term sheet with Seaspan Corporation, pursuant to which, amongst others, Seaspan Corporation or its affiliate will, subject to the terms set out in such term sheet, invest an aggregate cash amount of US\$200 million in the Group (the “**Proposed Seaspan Transaction**”). As the Company believes that the Proposed Seaspan Transaction is crucial for the restructuring of the Group’s debts and achieving the Company’s eventual exit from judicial management, the Company and the Judicial Managers will continue to prioritise the negotiation and execution of the definitive agreements in relation to the Proposed Seaspan Transaction as well as the satisfaction of the conditions precedent thereto. Accordingly, the resources of the Company and the Judicial Managers will be focused on implementing matters relating to the Proposed Seaspan Transaction;
- (c) in view that the Company and SOC are currently under judicial management, there are practical difficulties and challenges faced by the Judicial Managers (which may otherwise not apply in the case of a company which is a going concern) in ascertaining and finalising the financial information which are relevant for the preparation and updating of the Company’s financial statements;
- (d) with regard to the Company’s finances, the Judicial Managers are still in the process of ascertaining and establishing the financial position of the Group, including without limitation reconciling significant intercompany balances and accounts with various parties, as well as adjudicating of proof of debts (including corresponding with the various creditors to request for details and supporting documents for their claims) for the purposes of the creditors’ meeting to be held under Sections 227M and 227N of the Companies Act. Accordingly, the Judicial Managers will need more time to review the financial affairs of the Group, including its accounts payables and receivables. Further, whether the preparation of the Company’s accounts and the audit of such accounts by the auditors are to be conducted on a going concern or break up basis would depend on whether the restructuring exercise in respect of the Company’s and SOC’s debts is successful. The success of such restructuring exercise will however only be known when a scheme of arrangement in relation to the Company’s and SOC’s debts is sanctioned by the Court;
- (e) further, the High Court of Singapore has recently issued a judgment on 1 October 2018 setting out its full reasoning on, *inter alia*, the parties who are entitled to vote at creditors’ meetings held under Section 227M of the Companies Act, as well as under Section 210 of the Companies Act, and the manner in which they can cast their votes to meet statutory requirements. The Judicial Managers are currently studying the judgment and will need to consider how this impacts their treatment of proof of debts filed by creditors, as well as the assessment of the Company and SOC’s liabilities position;
- (f) the Company currently still does *not* have the financial resources and manpower to prepare and update the financial results. Given the financially distressed state of the Company, the Company has limited funds and is still facing severe cash flow issues on a month to month basis. In view of the financial situation of the Company, many of the employees (including the accountants) of the Company had resigned (including the Group Chief Financial Officer who had resigned with effect from 31 July 2017), and the Company has insufficient financial resources to hire new accountants to prepare, update and finalise the financial results referred to in paragraph 3.1 or settle the outstanding fees of its external auditors so as to enable them to commence any review and/or audit of such financial results. The Company will therefore need more time to explore various options to resolve such issues;

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- (g) in view of the delay in the finalisation and release of the Company's 2Q2016 Results, 3Q2016 Results and FY2016 Results, the Company will consequently not be in a position to convene the 2017 AGM by 31 December 2018;
- (h) similarly, in view of the delay in the finalisation and release of the Company's 2Q2016 Results, 3Q2016 Results and FY2016 Results, the preparation of the unaudited 1Q2017 Results, 2Q2017 Results, 3Q2017 Results and FY2017 Results is also expected to be delayed and accordingly, the Company will consequently not be in a position to convene the 2018 AGM by 31 December 2018;
- (i) in view of the delay in the finalisation and release of the Company's 2Q2016 Results, 3Q2016 Results and FY2016 Results and the preparation of the unaudited 1Q2017 Results, 2Q2017 Results, 3Q2017 Results, FY2017 Results, 1Q2018 Results, 2Q2018 Results and 3Q2018 Results, the preparation of the FY2018 Results is also expected to be delayed and accordingly, the Company will also consequently not be in a position to convene the 2019 AGM by 30 April 2019; and
- (j) given that the judicial management of the Company and SOC is currently still ongoing and the High Court of Singapore had on 29 March 2018 granted a further extension of the judicial management period for the Company and SOC until 30 June 2019, the Company is of the view that the Financial Results and AGM Extension, which would at least cover the current duration of the judicial management period, would assist and allow the Judicial Managers to streamline the Company's processes and focus their efforts on the judicial management of the Company and SOC.

4. EXTENSION OF TIME TO COMPLY WITH RULE 704(8) OF THE LISTING MANUAL IN RELATION TO FILLING THE VACANCIES IN THE AUDIT COMMITTEE

- 4.1 As announced by the Company on 4 April 2017, Mr. Yeo Jeu Nam, who was the lead independent non-executive director of the Company, had resigned with effect from 3 April 2017, and as announced by the Company on 30 October 2017, Mr. Chia Fook Eng, who was an independent non-executive director, had resigned with effect from 30 October 2017 (the "**Resignations**").
- 4.2 Prior to the Resignations, the audit committee of the Company (the "**Audit Committee**") comprised of Mr Yeo Jeu Nam, Mr Chia Fook Eng and Mr Oon Thian Seng. Following the Resignations, the number of members in the Audit Committee has been reduced to one (1) member.
- 4.3 Under Rule 704(8) of the Listing Manual, in the event of any resignation which renders the Audit Committee unable to meet the minimum number (not less than three), the Company should endeavor to fill the vacancies within two months, but in any case not later than three months.
- 4.4 The Company has sought an extension of time of until the JMO Expiry Date (being 30 June 2019) to comply with Rule 704(8) of the Listing Manual in relation to filling the vacancies in the Audit Committee so as to meet the minimum number of three (3) members (the "**Audit Committee Extension**"), based on the following reasons:-
 - (a) since the Resignations, the Company has tried to search for replacement directors to undertake the role of independent directors and audit committee members. However, due to the Company being placed in judicial management, the Company has not been successful in finding replacement directors who are willing to take on such a role. Further,

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given the financially distressed state of the Company, the Company would not be in a position to pay directors' fees to such replacement directors. Accordingly, it is practically very difficult for the Company to fill the vacancies in the Audit Committee under the current circumstances. In view of the above, the Company is of the view that it would be in a better position to pursue discussions with and attract potential candidates for such role only upon achieving a successful restructuring of the Company (if applicable) so that there is a reasonable chance for the continued operation of the Company post-restructuring and the Company will then be able to identify potential candidates; and

- (b) as the Company is currently placed under judicial management, the powers of the directors of the Company have been suspended and assumed by the Judicial Managers since the Judicial Managers' appointment. In addition, given the current situation of the Company where it is not able to prepare, update and finalise its financial results nor enable its external auditors to commence review and/or audit such financial results (as mentioned in paragraph 3.3 above), the Company believes that the role of the Audit Committee would be limited during the judicial management period of the Company. In view of the above and having regard to the functions of the Audit Committee as set out under Section 201B of the Companies Act and the Code of Corporate Governance, the Company believes that the Audit Committee Extension would not be prejudicial to the Company.

5. FURTHER ANNOUNCEMENTS

The Company will make further announcements to update its shareholders on the status of the applications mentioned above, in due course.

By Order of the Judicial Managers
Bob Yap Cheng Ghee
Joint and Several Judicial Manager
29 October 2018

By Order of the Board
Raymond Kim Goh
Chairman
29 October 2018